



United States Department of Agriculture
Risk Management Agency

January 2006

2006 COMMODITY INSURANCE FACT SHEET

Nursery

Montana, North Dakota, South Dakota, Wyoming

Crop Insured

Nurseries deriving at least 50 percent of gross income from wholesale marketing of plants.

The insured nursery plant inventory will be all nursery plants in the county that are shown on the eligible plant list and meet all the other requirements for insurability as specified in the policy. A written agreement may be issued to insure plant types, species, or cultivars not listed on the eligible plant list. See your crop insurance agent for details on requesting a written agreement.

Counties Available

All counties in Montana, North Dakota, South Dakota, and Wyoming

Causes of Loss

Adverse weather conditions

Failure of irrigation water supply¹

Fire³

Delay in marketability of the plants (if results in reduction of plant value)²

Wildlife

¹If caused by an insured cause of loss.

²As specified in the Policy or Special Provisions.

³If weeds and undergrowth by plants and buildings are controlled.

Insurance Period

For the year of application, insurance attaches 30 days after your crop insurance agent receives a signed application (unless we notify you that your inventory is not acceptable), or October 1 for carryover insured's and ends the earliest of: 1) total destruction of the crop, 2) May 31, 3) removal of bare root nursery plant material from the field, 4) removal of all other plant material from the nursery, or 5) final adjustment of a loss.

Reporting Requirements

Plant Inventory Value Report (PIVR)—You must submit a PIVR for each insured practice, as applicable, and two copies of your most recent wholesale catalogs or price lists with your application on or before the sales closing date for each crop year following the year of application. The PIVR must include, by basic unit, all growing locations, basic unit value, coverage level selected, as applicable, and your share.

Important Dates

Sales Closing (new insured): Any time between

.....September 30 and May 1

Sales Closing (carryover insured):.....September 30

Insurance Begins (new insured):.....

.....30 days after application is signed

Insurance Begins (carryover insured):.....October 1

Duties in the Event of Damage or Loss

- (1) Protect the crop from further damage by providing sufficient care;
- (2) Notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period
- (3) You cannot destroy or put the crop to another use without our prior approval.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your average yield. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 75-percent coverage level, your premium share would be 45 percent of the base premium:

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$100, regardless of the acreage.

Insurance Units

Your insurable acreage will be grouped into one or more units in order to establish the approved yield, calculate a guarantee, and determine any indemnity.

Basic Unit: A basic unit, as defined in section 1 of the Basic Provisions, may be divided into additional basic units by each insurable plant type designated in section 2(b) of the Basic Provisions for which a premium rate is provided by the actuarial documents.

Optional Units: Not provided.

Available Practices

Standard nursery nontainer.
Field grown (in ground).

Production Guarantee

Dollar Amount of Insurance.

For each basic unit: Practice value x coverage level
Percent elected x price election x share.

Peak Inventory Endorsement

Covers the value of the insured inventory that is increased temporarily during a peak inventory period.

An additional premium is charged for this coverage.

Rehabilitation Endorsement

For field grown plants only.

Assists producers in the costs of rehabilitating damaged plants (limited to labor and materials for pruning and setup).

An additional premium is charged for this coverage.

Administrative Fees

Catastrophic (CAT) Coverage:

\$100/Crop/County (No additional insurance premium is charged).

Buy Up Coverage: \$30/Crop/County (An additional insurance premium is charged).

Regional Contact for RMA

USDA/Risk Management Agency

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